

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,
as representative of
THE COMMONWEALTH OF PUERTO RICO *et al.*,
Debtors.¹

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

Re: ECF No. 3092

**RESPONSE OF AAFAF TO MOTION OF AMERICAN FEDERATION OF STATE,
COUNTY AND MUNICIPAL EMPLOYEES, AFL-CIO (AFSCME) TO COMPEL
COMPLIANCE WITH THE AUGUST 10, 2017 STIPULATION AND ORDER**

AAFAF,² as the entity authorized to act on behalf of Puerto Rico governmental entities by the Enabling Act of the Fiscal Agency and Financial Advisory Authority, Act 2-2017, and on its own behalf as a participant in the mediation process in these Title III cases, respectfully

¹ The Debtors in these Title III cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's Federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17 BK 04780-LTS) (Last Four Digits of Federal Tax ID: 3747) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

² As used in this motion, (i) "AAFAF" means the Puerto Rico Fiscal Agency and Financial Advisory Authority; (ii) "AFSCME" means the American Federation of State, County and Municipal Employees, AFL-CIO; (iii) "Commonwealth" means the Commonwealth of Puerto Rico; (iv) "PROMESA" means the Puerto Rico Oversight, Management, and Economic Stability Act, Pub. L. No. 114-187, 130 Stat. 549 (2016) (codified at 48 U.S.C. § 210 *et seq.*); (v) "Mediation Team" means the team of federal judges designated by the Court to facilitate confidential settlement negotiations of any and all issues in the Title III Cases under the Order Appointing Mediation Team, Case No. 17 BK 3283-LTS, ECF No. 430 (June 23, 2017); (vi) "Motion" means the Motion by the American Federation of State, County and Municipal Employees, AFL-CIO (AFSCME) to Compel Compliance with the August 10, 2017 Stipulation and Order, Case No. 17 BK 3283-LTS, ECF No. 3092 (May 17, 2018); (vii) "Oversight Board" or "Board" means the Financial Oversight and Management Board for Puerto Rico; and (viii) "Stipulation" means the Stipulation and Order Approving Procedure to Resolve Commonwealth-COFINA Dispute, Case No. 17 BK 3283-LTS, ECF No. 996 (Aug. 10, 2017). Unless otherwise specified, all emphasis is added and all citations and quotations are omitted.

submits this response to AFSCME's Motion.

1. While the mediation process's confidentiality requirements prohibit AAFAF from providing a detailed response to AFSCME's assertions, AAFAF is confident that it has complied with the Stipulation in all respects. To the extent AFSCME's Motion suggests otherwise, its speculative claims are incorrect.

2. Additionally, nothing in the Stipulation limits the elected Government's authority to work with the Mediation Team and other creditors to seek to resolve the difficult issues facing Puerto Rico. And, it is entirely proper and necessary for the Government to be able to fully listen to, and share information with, Puerto Rico's stakeholders (either in the context of mediation or outside of it) about the Island's economic future to promote transparency and build consensus around contested issues in the Title III cases.

3. AAFAF is concerned about the cavalier manner in which certain parties cite "the best interests of the Commonwealth and its people" in service of their own agendas while making statements with no factual support. (Mot. at 2.) The elected representatives of the people of Puerto Rico are well equipped to advocate for the public interest and see no benefit to granting the relief requested in the Motion.

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Dated: May 23, 2018
San Juan, Puerto Rico

s/ Luis C. Marini- Biaggi

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